

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office  
FLOOR DEBATE

April 14, 2004      LB 37

appreciate the opportunity to address it. Certainly, the goal here is laudable. We want to encourage people to save and put money aside for when they have those needs to meet the emergencies of their families. So the goal here is very laudable. And certainly the mechanism of putting money into an account so that it's available is not problematic. The one issue that I do see, however, as problematic here is that, in fact, we are turning the State Treasurer's Department into the personnel department of our employers. Now, we have a mechanism in our country. It was started by the federal government. It was a great idea. It was called an IRA. It was so that people could save for retirement, when they needed extra income to supplement their Social Security or pension plan. And, in fact, it was an excellent idea. And the reason that I think it's such an excellent idea is because there is no burden on government to administer those funds. We allow people to take that money and take it to their local bank, or into a mutual fund, and call it an IRA, so that it is set aside for a specific purpose, and we give it a tax break. And I think that portion here I certainly support. But I do think that the costs involved with asking the State Treasurer's Department to hire the personnel to.. in order to administer, invest, and keep track of all these funds, so that, in fact, the employer would have to notify the State Treasurer that an employee is taking qualified leave, the duration of the leave, the gross wages earned per pay period, the State Treasurer then pays the employer, who then pays the employee the wages due. So, that said, I regret that I'm not going to support the bill. But what I would hope is that if, in fact, we don't move forward with it this year, that it would come back next year in a form where we would create a mechanism that they could go to their local bank, let them spend the money on the personnel, and that, in fact, we would just make this a tax break piece, so that people could protect their savings for these purposes. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Redfield. (Visitors introduced.) Senator Vrtiska, you're recognized to close.

SENATOR VRTISKA: Thank you, Mr. President, members of the body. I just want to close by saying that I'm not going to support this piece of legislation, for the reasons that I told you. And